

elimination and our new bill will include their recommendations and reflects my ongoing commitment to eliminating these outdated reports.

I wish to thank Senator AYOTTE for being my partner on this work. It has been an honor to work with her on our Budget Committee Government Performance Task Force.

I also want to thank Senators CARPER and COBURN for their leadership on this issue and advancing this bill through their Committee. Additionally, I would like to thank our other cosponsors, Senators FEINSTEIN and MCCASKILL for their support.

Ms. HEITKAMP. Mr. President, I ask unanimous consent that the committee-reported substitute amendment be considered; the Carper amendment which is at the desk be agreed to; the committee-reported amendment, as amended, be agreed to; the bill, as amended, be read a third time and passed; and that the motion to reconsider be considered made and laid upon the table, with no intervening action or debate.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

The amendment (No. 3820) in the nature of a substitute was agreed to.

(The amendment is printed in today's RECORD under "Text of Amendments.")

The committee-reported amendment in the nature of a substitute, as amended, was agreed to.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time.

The bill (H.R. 4194), as amended, was passed.

SMART SAVINGS ACT

Ms. HEITKAMP. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of Calendar No. 522, S. 2117.

The ACTING PRESIDENT pro tempore. The clerk will report the bill by title.

The assistant legislative clerk read as follows:

A bill (S. 2117) to amend title 5, United States Code, to change the default investment fund under the Thrift Savings Plan, and for other purposes.

There being no objection, the Senate proceeded to consider the bill.

Ms. HEITKAMP. Mr. President, I ask unanimous consent that the Warren substitute amendment, which is at the desk, be agreed to, the bill, as amended, be read a third time and passed, and the motion to reconsider be considered made and laid upon the table, with no intervening action or debate.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

The amendment (No. 3821) was agreed to, as follows:

Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the "Smart Savings Act".

SEC. 2. THRIFT SAVINGS PLAN DEFAULT INVESTMENT FUND.

(a) IN GENERAL.—Section 8438(c)(2) of title 5, United States Code, is amended to read as follows:

"(2)(A) Except as provided in subparagraph (B), if an election has not been made with respect to any sums available for investment in the Thrift Savings Fund, the Executive Director shall invest such sums in an age-appropriate target date asset allocation portfolio of the funds described in subsection (b), as determined by the Executive Director.

"(B) If an election has not been made by a member (as defined in section 211 of title 37) contributing to the Thrift Savings Fund under section 8440e with respect to any sums available for investment in such member's Thrift Savings Fund account, the Executive Director shall invest such sums in the Government Securities Investment Fund."

(b) ACKNOWLEDGMENT OF RISK.—Section 8439(d) of title 5, United States Code, is amended—

(1) by inserting "(1)" before "Each employee"; and

(2) by adding at the end the following:

"(2) Before the date on which an individual is enrolled to make contributions to the Thrift Savings Fund, or as soon as practical thereafter, an individual who is automatically enrolled under section 8432(b)(2) shall receive the risk acknowledgment information described in paragraph (1)."

(c) TECHNICAL AND CONFORMING AMENDMENT.—Section 8472(g)(2) of title 5, United States Code, is amended by striking "required by section 8438 of this title to be invested in securities of the Government" and inserting "under section 8438(c)(2)(B)".

(d) GUIDANCE.—Not later than 9 months after the date of enactment of this Act, the Executive Director (as that term is defined under section 8401(13) of title 5, United States Code) shall develop and issue guidance implementing the amendments made by this section.

(e) EFFECTIVE DATE AND APPLICATION.—The amendments made by this section shall—

(1) take effect on the date on which the Executive Director issues guidance under subsection (d); and

(2) apply to individuals who enroll in the Thrift Savings Plan on or after such date.

SEC. 3. CLARIFICATION OF FIDUCIARY PROTECTIONS.

Section 8477(e)(1)(C)(ii) of title 5, United States Code, is amended—

(1) in subclause (II)—

(A) by inserting "or beneficiary" after "participant"; and

(B) by inserting "or option" after "fund"; and

(2) in subclause (III)—

(A) by inserting "or beneficiary" after "participant"; and

(B) by inserting "or beneficiaries" after "participants".

The bill (S. 2117), as amended, was ordered to be engrossed for a third reading, was read the third time, and passed.

AMENDING THE EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974

Ms. HEITKAMP. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of Calendar No. 552, S. 2511.

The ACTING PRESIDENT pro tempore. The clerk will report the bill by title.

The assistant legislative clerk read as follows:

A bill (S. 2511) to amend the Employee Retirement Income Security Act of 1974 to clarify the definition of substantial cessation of operations.

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Health, Education, Labor, and Pensions, with an amendment to strike all after the enacting clause and insert in lieu thereof the following:

SECTION 1. SUBSTANTIAL CESSATION OF OPERATIONS.

(a) IN GENERAL.—Subsection (e) of section 4062 of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1362) is amended to read as follows:

"(e) TREATMENT OF SUBSTANTIAL CESSATION OF OPERATIONS.—

"(1) GENERAL RULE.—Except as provided in paragraphs (3) and (4), if there is a substantial cessation of operations at a facility in any location, the employer shall be treated with respect to any single employer plan established and maintained by the employer covering participants at such facility as if the employer were a substantial employer under a plan under which more than one employer makes contributions and the provisions of sections 4063, 4064, and 4065 shall apply.

"(2) SUBSTANTIAL CESSATION OF OPERATIONS.—For purposes of this subsection:

"(A) IN GENERAL.—The term 'substantial cessation of operations' means a permanent cessation of operations at a facility which results in a workforce reduction of a number of eligible employees at the facility equivalent to more than 15 percent of the number of all eligible employees of the employer, determined immediately before the earlier of—

"(i) the date of the employer's decision to implement such cessation, or

"(ii) in the case of a workforce reduction which includes 1 or more eligible employees described in paragraph (6)(B), the earliest date on which any such eligible employee was separated from employment.

"(B) WORKFORCE REDUCTION.—Subject to subparagraphs (C) and (D), the term 'workforce reduction' means the number of eligible employees at a facility who are separated from employment by reason of the permanent cessation of operations of the employer at the facility.

"(C) RELOCATION OF WORKFORCE.—An eligible employee separated from employment at a facility shall not be taken into account in computing a workforce reduction if, within a reasonable period of time, the employee is replaced by the employer, at the same or another facility located in the United States, by an employee who is a citizen or resident of the United States.

"(D) DISPOSITIONS.—If, whether by reason of a sale or other disposition of the assets or stock of a contributing sponsor (or any member of the same controlled group as such a sponsor) of the plan relating to operations at a facility or otherwise, an employer (the 'transferee employer') other than the employer which experiences the substantial cessation of operations (the 'transferor employer') conducts any portion of such operations, then—

"(i) an eligible employee separated from employment with the transferor employer at the facility shall not be taken into account in computing a workforce reduction if—

"(I) within a reasonable period of time, the employee is replaced by the transferee employer by an employee who is a citizen or resident of the United States; and

"(II) in the case of an eligible employee who is a participant in a single employer plan maintained by the transferor employer, the transferee employer, within a reasonable period of time, maintains a single employer plan which includes the assets and liabilities attributable to the accrued benefit of the eligible employee at